

DSHS secretary says agency running \$25M short — besides the courts' \$30M mental health mandate

By Brad Shannon

Staff writer

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Kevin Quigley, left, state DSHS secretary, meets with David Stillman, the assistant secretary of DSHS, in Quigley's office on Thursday, February 28, 2013, in Olympia, Wash.

JOHN LOK — The Seattle Times

Social safety net programs overseen by Washington's biggest state government agency are running in the red, and the hole likely will require a \$25 million patch from the Legislature in January.

That's the assessment of Department of Social and Health Services Secretary Kevin Quigley, who described the situation as a "budget crisis." He said a surge in calls to Child Protective Services hotlines, higher costs in welfare programs and mental hospitals, and information technology needs are all driving his agency's budget shortfall.

Quigley said that shortfall is in addition to the \$30 million needed to stop the practice of “psychiatric boarding,” which the state Supreme Court ruled last month must stop. The high court has given [hospitals and the state](#) until Dec. 26 to halt the practice of sticking such patients in hospital emergency rooms without appropriate treatment.

Beyond the psychiatric boarding issues, the department’s shortfall — which Quigley estimated at \$25 million to \$26 million — includes a gap in Child Protective Services where calls to hotlines reporting abuse or seeking help have been surging. Quigley thinks he’ll need \$6 million to \$8 million in emergency spending to fix the problem, and he may have to add 50 to 100 more staffers.

Calls and investigations have increased “by 10 to 15 percent” and have led to a backlog of 2,000 cases not handled within the 90-day limit his agency must meet. Quigley said there were about 2,000 cases exceeding that limit when Gov. Jay Inslee took office in early 2013. The agency had since reduced the backlog to about 600 cases, only to see it go back up to 2,000.

“There should be zero cases open more than 90 days. In fact, there should be zero cases open more than 60 days, in my opinion,” he said.

One other particular area of concern is the state’s mental hospitals, which overspent budgets by about \$3 million in the year that ended June 30. These facilities will be \$6 million in the hole by the time lawmakers return in January, Quigley said.

“The big challenge normally is if you don’t have funding, you have to close a ward. But the Legislature has been quite clear they don’t want to close wards,” Quigley said.

He said lawmakers of both parties deserve credit for raising funding for mental hospitals, but he expects them to have concerns about the management of overtime pay as they try to contain costs.

Other costs are rising in welfare programs, which have required extra personnel to process claims. A big piece of potentially \$8 million in extra expenses is in information technology and includes a fix for the computer program used to determine eligibility for benefits.

Other costs are for doing incapacity exams for disabled people who are in transition to being covered by Social Security and to move community-services staffers in Vancouver from a leased building to a state-owned structure.

The agency is having more success sticking to the budget in other areas. Budgets for aging and long-term care, developmental disabilities and juvenile rehabilitation “seem to be in good shape,” according to the secretary.

Top House and Senate budget writers could not be reached immediately for comment Monday. But the welfare programs division known as Community Services recently staged [a training for a few thousand staffers that cost upward of \\$600,000 and drew rebukes](#) from Senate Republican Leader Mark Schoesler of Ritzville, who called it a “splurge.”

“I’m very skeptical of their budgeting. I think they always have slush money tucked away ... (Agencies) always trot out the most needy or cite a court ruling,” Schoesler said Monday. “But clearly we’re not out of budget difficulties and they’ve shown real insensitivity.”

Quigley defended the trainings, which the agency estimated to have cost \$217 for each of the more than 2,100 employees who attended two-day workshops in Tacoma. The state paid \$17,500 to a humorist and motivational speaker to address each of three workshops, but Quigley said community service offices have high turnover and it makes sense to spend \$217 on boosting a staffer’s morale than to spend \$25,000 training a new worker.

Brad Shannon: 360-753-1688 bshannon@theolympian.com [@BradShannon2](http://theolympian.com/politicsblog)

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